REVISED ESTIMATES FOR 1105.

3. The **revenue** and **expenditure** which were estimated at Rs 248·08 lakhs and Rs 244·94 lakhs respectively in the current year's budget are now expected to stand, on the basis of information so far available, at Rs **248·05** lakhs and Rs **243·18** lakhs respectively leaving a **revenue surplus** of Rs **4·87** lakhs against Rs 3·14 lakhs anticipated in the budget. The increase in incomings is noticeable under Taxes on Income (·50), Customs (1·39) and Forest (·69). The increase under Customs is mainly under 'Import duty'. Under Forests, the excess is expected to be realised by the sale of Royal trees and junglewood removed from the forests by Government Agency. Decreases are expected under Registration (·69), Scientific and Miscellaneous Departments (·75) and Railways (1·11). The fall under Registration is due to the fact that the department is now moving towards its normal level after the rush for partition as the result of the Nayar, Ezhava and Vellala Regulations. Under Scientific and Miscellaneous departments, a revenue of Rs. 1·25 lakhs was budgeted for under 'Mining receipts'; but only half a lakh is expected to be realised in the year. The working of the Railway from Shencottah to Trivandrum for the year ended March 1930 resulted in a net loss of Rs 10,800 against the budgeted receipt of rupees one lakh. This is the first time, since the extension of the line to Trivandrum, that a loss has occurred. The diversion of a portion of the traffic along the newly opened Tenkasi-Virudunagar line is, to some extent, responsible for the loss.

[MR. S. PIRAVIPERUMAL PILLAI (*Commerce and Industry, South*): This was anticipated.]

4. Turning to the expenditure side, a net saving of Rs 1·76 lakhs is expected at the close of the year, the Education department contributing Rs 3·63 lakhs and the Public Works department Rs ·78 lakh. The saving under Education is due chiefly to the lapse of a portion of the lump sum provision made in the budget for the revision of pay of Vernacular School Teachers and grants-in-aid to Vernacular Schools with retrospective effect from 1st Chingom 1104. The revision of pay of the teachers was given effect to in the course of the year, but it was not possible to pay off the arrears according to the revision, as special bills had to be prepared by the Education department before payment could be made. Every effort is being made to expedite payment.

Excesses are also expected under some major heads, the important ones being Rs 2·94 lakhs under Miscellaneous Political Expenditure due to the expenses in connection with the visit of His

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Excellency the Viceroy in December 1929 and rupees one lakh under Superannuation Allowances and Pensions due to increase in the pension list.

5. On the Capital side, the receipts from the sale of Government lands are expected to amount only to Rs 4·5 lakhs against the budgeted receipt of Rs 5 lakhs and the Capital Expenditure stands revised at Rs 18·07 lakhs. In the result, a net deficit of Rs 8·71 lakhs is expected at the close of the year, as against the anticipated deficit of Rs 21·88 lakhs. The Government closing balance will thus stand at Rs 161·43 lakhs.

BUDGET ESTIMATES FOR 1106.

6. I shall now pass on to the budget estimates of the ensuing year. The provisional estimates for the next year have been prepared on the expectation of a total **revenue** of Rs **250·79** lakhs and the programme of **expenditure** chargeable to the year's income has been fixed at Rs **248·77** lakhs, leaving a small margin of Rs **2·02** lakhs. Sale proceeds of Government lands are expected to bring in Rs 4 lakhs and our programme of **Capital expenditure** is estimated at Rs **27·03** lakhs. We shall thus be drawing from our accumulated Surplus of previous years Rs 21·01 lakhs for our commercial undertakings.

REVENUE.

7. The budgeted revenue for the next year is Rs 250·79 lakhs. This is Rs $2\frac{3}{4}$ lakhs in excess of our expectations in the current year. The principal items which contribute to this increase are Excise (1·79), Mint (1·15) and Railways (·61). Decreases in revenue are also expected under Taxes on Income (·67) and Forest (·59).

8. *Excise.*—The receipts are estimated at Rs 61·73 lakhs against the current year's expectation of Rs 59·94 lakhs, the expected increase being mainly under the head 'Abkari and Opium.' An increase is expected on account of enhanced rates of duty on jaggery-arrack and increased rates under tree tax and rentals as the result of the biennial contract. It will be seen from the detailed estimates that no amount is estimated under the two items 'Rebate of duty on opium' and 'Rebate of duty on ganja'. This apparent omission is due to the change of procedure recently sanctioned by the Madras Government in the purchase of opium and ganja. Hitherto, opium and ganja required for the State were being obtained from Madras on payment of cost price and duty. The duty thus paid used to be recovered from the Madras Government

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